



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 10

1200 Sixth Avenue, Suite 900
Seattle, WA 98101-3140

AUG 11 2014

OFFICE OF
COMPLIANCE AND ENFORCEMENT

Reply to: OCE-084

Certified Mail -- Return Receipt Requested

EPA WARNING LETTER

Mr. Brad Knight
O & M Manager
Hermiston Generating Plant
Hermiston Generating Co., LP
78145 Westland Road
Hermiston, Oregon 97838

Re: Inspection of Risk Management Program (RMP)
Hermiston Generating Plant
Hermiston, Oregon
EPA RMP Facility ID: 1000 0001 6298

Dear Mr. Knight,

On April 2, 2014, the U.S. Environmental Protection Agency (EPA) conducted an inspection of the Hermiston Generating Plant, located at 78145 Westland Road, Hermiston, Oregon. The purpose of the inspection was to evaluate compliance with Section 112(r) of the Clean Air Act also known as the Risk Management Program (RMP). The RMP inspection was conducted pursuant to the authorities under Section 112(r) and Section 114 of the Clean Air Act. Listed below are the areas of concern identified by EPA:

1. **Operating Procedures requirements:** Hermiston Generating Plant written operating procedures failed to address the consequences of deviation and steps required to correct or avoid deviations as required by 40 C.F.R. § 68.52 (b)(7).
2. **Operating Procedures requirements:** Hermiston Generating Plant failed to address equipment inspections of the process equipment as required by 40 C.F.R. § 68.52 (b)(8).
3. **Compliance Audits requirements:** Hermiston Generating Plant did not certify their compliance audit at least every three years to verify that the procedures and practices are adequate and are being followed as required by 40 CFR 68.79(a). There was more than three years between the 2008 and 2013 compliance audits. A third party firm (Brad Bisonett) only signed the 2013 compliance audit report. HGP did not sign the 2013 compliance audit report to certify that the compliance review was complete.
4. The EPA is providing you further clarification on the calculation of the threshold quantity of a substance in solution such as ammonia (conc. 20 percent or greater). During the inspection at the facility, the EPA observed that you calculated the total quantity of the ammonia solution at a 29

percent concentration. This inventory was reported in your current RMP submitted June 14, 2014 to EPA. The GENERAL GUIDANCE ON RISK MANAGEMENT PROGRAMS FOR CHEMICAL ACCIDENT PREVENTION (40 CFR PART 68), March 2009, Chapter 1, General Applicability, Section 1.6, Threshold Quantity in a Process, Quantity of a Substance in a Mixture or Solution: Toxics with Listed Concentration, page 1-11, states the following:

- Four toxic substances have listed concentrations in the rule: hydrochloric acid — 37 percent or greater; hydrofluoric acid — 50 percent or greater; nitric acid — 80 percent or greater; and ammonia — 20 percent or greater.
- If you have one of these four above their listed concentration, you must determine the weight of the substance in the solution and use that to calculate the quantity present. If that quantity is greater than the threshold, the process is covered. For example, aqueous ammonia is covered at concentrations above 20 percent, with a threshold quantity of 20,000 pounds. If the solution is 25 percent ammonia, you would need 80,000 pounds of the solution to meet the threshold quantity; if the solution is 44 percent ammonia, you would need 45,455 pounds to meet the threshold quantity (quantity of mixture x percentage of regulated substance = quantity of regulated substance).

You will be required to submit a correction for your RMP with the correct quantity of ammonia (conc. 29 percent) in solution for the inventory. Please notify EPA when your RMP has been corrected.

Please provide the documentation to substantiate that the areas of concern listed above have been corrected. A copy of the documents must be sent to Javier Morales, RMP Coordinator, within 14 days of your receipt of this letter. The documents may be sent via e-mail, fax or mail.

Javier Morales, RMP Coordinator
U.S. EPA Region 10
1200 Sixth Avenue, Suite 900, OCE-084
Seattle, WA 98101
Fax: (206) 553-0124

Please refer to the document *General Risk Management Program Guidance* for additional information pertaining to the areas of concern addressed above. This guidance document can be found on EPA's website at: http://www.epa.gov/emergencies/content/rmp/rmp_guidance.htm#General

We urge you to take the steps necessary to address these concerns and to ensure that all aspects of your operation are conducted in accordance with all applicable federal, state, and local requirements. If in the future, additional violations are identified and/or corrections to the identified concerns are not made, EPA may proceed with enforcement action. If you have any questions about the inspection or the Risk Management Program, please contact Javier Morales, RMP Coordinator, at (206) 553-1255 or morales.javier@epa.gov.

Sincerely,



Kelly McFadden, Manager
Pesticides and Toxics Unit